BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268–0001

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MAILING ONLINE SERVICE

Docket No. MC98–1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS STIREWALT TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS–T3—61–67)

The United States Postal Service hereby provides the responses of witness

Stirewalt to the following interrogatories of the Office of the Consumer Advocate:

OCA/USPS–T3—61–67, filed on October 13, 1998.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 23, 1998

OCA/USPS-T3-61. Please refer to your response to OCA/USPS-T3-34(b). Please explain the rationale for choosing 1800 workhours as the number of hours in a "resource year."

RESPONSE:

The number of work hours in a year's period is used to develop an estimated staffing requirement for Mailing Online questions directed to the Technical Help Desk. I arrived at an estimated number of workhours per year by first determining the number of weeks that Technical Help Desk personnel would be on the job. Given 52 weeks in a year, minus 3 weeks for vacation, sick leave, or personal leave, 2 weeks (10 days) for legal holidays (New Year's Day, Martin Luther King Day, President's Day, Memorial Day, July 4, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day), and an additional two weeks for training and other activities not related to the Technical Help Desk function as described in my response to MASA/USPS-T3-6(b), I arrived at 45 weeks. I multiplied 40 work hours per week by 45 weeks per year. Full Time Equivalents as defined in Office of Management and Budget Circular 11 (1998), Section 13.3(c) are not used internally within the Postal Service for determining budgets or any other estimates of work hours. I have consulted with our Finance department regarding this, and I was informed my estimate of 1800 hours per year is a reasonable figure to use for estimation purposes.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS STIREWALT
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T3-62. Please refer to USPS-LR-1/MC98-1, Attachment 1, at page 11, the "TECHNICAL HELP DESK RESOURCE YEARS, Help Desk Volumes/Durations."

a.   For 1999, please confirm that the number 2,991, "Total First Time Call Hours," is calculated by multiplying the "Total Number of Users" (5,981) by one-half hour (0.50). If you do not confirm, please explain.

b.   For 1999, please confirm that the number 1,794, "Total On-going call hours," is calculated by multiplying the "Total Number of Users" (5,981) by one-tenth hour (0.10) and the number of on-going calls per year (3). If you do not confirm, please explain.

RESPONSE:

a. Confirmed.

b. Confirmed.

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TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T3-63. Please refer to USPS-LR-1/MC98-1, Attachment 1, at page 11, the
"TECHNICAL HELP DESK RESOURCE YEARS, Help Desk Volumes/Durations."

a.   Please confirm that the Mailing Online Technical Help Desk or the PostOffice
       Online Help Desk will receive four calls (1 initial call plus 3 "on-going" calls) from
       each Mailing Online customer. If you do not confirm, please explain.

b.   Please confirm that the duration of the calls referred to in part (a) of this
       interrogatory is 48 minutes (30 minutes for one initial call + (6 minutes * 3 "on-
       going" calls)). If you do not confirm, please explain.

c.   Please confirm that 50 percent of "Total call hours" will consist of customer
       inquiries responded to by the Mailing Online Technical Help Desk, and 50
       percent will consist of inquiries responded to by the Post Office Online Help
       Desk. If you do not confirm, please explain.

d.   Please confirm that the duration of the calls referred to in part (a) of this
       interrogatory responded to by the Mailing Online Technical Help Desk is 24
       minutes ((30 minutes for initial calls + 6 minutes for each "on-going" call) * 0.50).
       If you do not confirm, please explain.

e.   Please confirm that the average duration of each call referred to in part (a) of this
       interrogatory responded to by the Mailing Online Technical Help Desk is 6
       minutes (24 minutes / 4 calls). If you do not confirm, please explain.

RESPONSE:

a. Confirmed that I estimated that each customer would initiate four calls to the
     PostOffice Online Help Desk per year.

b. Confirmed.

c. Not confirmed. I estimated that fifty percent of customer calls would generate an
     inquiry or problem report to the Technical Help Desk. Customers would not be in
     direct contact with Technical Help Desk staff. Since all customer calls would be to
     the PostOffice Online Help Desk, the PostOffice Online Help Desk would spend
     some amount of time for each customer call. First, total customer call hours was
     estimated. I used half of that amount as a reasonable estimate of Technical Help
     Desk work hours.

d. Not confirmed. See my response to part (c) above. Customers do not make calls
     directly to the Technical Help Desk, and I did not estimate the average length of calls
     from the PostOffice Online Help Desk to the Technical Help Desk.

e. Not confirmed. See my response to part (c) above. Customers do not make calls
     directly to the Technical Help Desk. I did not estimate the average duration of calls
     to the Technical Help Desk.

OCA/USPS-T3-64. Please refer to USPS-LR-1/MC98-1, Attachment 1, at page 6.

a. Please confirm that, of the 12 "Average customer sessions per user per year," 4 will involve telephone inquiries concerning Mailing Online. If you do not confirm, please explain.

b. Please confirm that one-third (4 / 12) of the "Average customer sessions per user per year" will involve telephone inquiries concerning Mailing Online. If you do not confirm, please explain.

c. Please confirm that 23,924 (71,772 * 0.3333) of the total annual number of Mailing Online transactions in 1999 will involve telephone inquiries concerning Mailing Online. If you do not confirm, please explain.

RESPONSE:

a. Not confirmed. Refer to my response to OCA/USPS-T3-31(c) regarding calls to the Technical Help Desk. I did not associate customer calls directly with the number of customer sessions, but rather to the number of customers. The four calls could be associated with one or more customer sessions.

b. Not confirmed. Refer to my response to part (a) above.

c. Not confirmed. Refer to my response to part (a) above.

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TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T3-65. Please refer to your response to OCA/USPS-T3-31. Please confirm that the "cost driver" for the costs of the Mailing Online Technical Help Desk and the PostOffice Online Help Desk associated with Mailing Online is the estimated number and duration of calls. If you do not confirm, please explain.

RESPONSE:

The words "cost driver" do not appear in my response to OCA/USPS-T3-31. Confirmed that the estimated number and duration of customer calls to the PostOffice Online Help Desk are used in developing my cost estimates for human resources for the Technical Help Desk. See my response to OCA/USPS-T3-63(c).

OCA/USPS-T3-66. Please refer to USPS-LR-1/MC98-1, Attachment 2, at pages 12-13, concerning the "Technical Help Desk."

a. For the "YR 1999," please confirm that the total variable costs of the technical help desk are $282,000. If you do not confirm, please explain.

b. For the "YR 1999," please confirm that the total variable costs of $282,000 are incurred to respond to calls generating 2,392 "Technical Help Desk Call Hours." If you do not confirm, please explain.

c. For the "YR 1999," please confirm that the variable cost per hour of the technical help desk is $117.89 ($282,000 / 2,392 hours). If you do not confirm, please explain.

d. For the "YR 1999," please confirm that the variable cost per call of the technical help desk is $11.79 ($117.89 / (60 minutes / 6 minutes per call)). If you do not confirm, please explain.

RESPONSE:

a. Confirmed.

b. Confirmed.

c. Not confirmed. The $282,000 are required to provide additional staffing to a pre-existing postal Technical Help Desk to handle calls from the PostOffice Online Help Desk. A calculation of variable cost per hour of the Technical Help Desk cannot be determined by using figures from Mailing Online.

d. Not confirmed. I did not determine an average call time for the Technical Help Desk. Even for the PostOffice Online Help Desk, as indicated in USPS-LR-1, Attachment 2, pages 12-13, I designate a duration of 30 minutes for the initial call from each customer, and 6 minutes for each of three follow-on calls. There is no average of six minutes per customer call.

OCA/USPS-T3-67. Please refer to your response to OCA/USPS-T3-17, which refers to the PostOffice Online Help Desk as being "run by a contractor." Please provide a copy of the contract for the PostOffice Online Help Desk.

RESPONSE:

There is no contract specific to the PostOffice Online Help Desk. Help desk support is part of the overall contract for integration of PostOffice Online. A pertinent section of and attachment to the contract (describing the Help Desk activities), plus the contract modification, delivery order, and delivery order modifications (indicating authorized payment amounts) for the PostOffice Online Help Desk are being filed in USPS-LR-14/MC98-1.
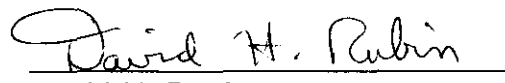
DECLARATION

I, Daniel Stirewalt, declare under penalty of perjury that the foregoing answers
are true and correct, to the best of my knowledge, information, and belief.

Dated: _10/23/98_

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all

participants of record in this proceeding in accordance with section 12 of the Rules of

Practice.

David H. Rubin

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